

**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

Industrial Promotion – Extension of special package of incentives to M/s Danieli India Limited for their proposed project to produce a “Fabrication , Machining and assembling of Metallurgical Equipment’s” with an investment of Rs.475 Crores in two phases at Sri City DTZ, Chittoor District under Industrial Investment Promotion Policy (IIPP) 2010-15 – as a Mega Project – Orders - Issued.

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**INDUSTRIES & COMMERCE (IP) DEPARTMENT**

**G.O.Ms.No. 11**

**Dated: 10-01-2012**

Read the following:

1. From the M/s Danieli India Limited, Sri City DTZ, Chittoor District, Lr.No,dated:15.07.2011.
2. The State Investment Promotion Committee (SIPC) Meeting held on 27-12-2011.
3. The State Investment Promotion Board (SIPB) Meeting held on 31-12-2011.

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**O R D E R:-**

M/s Danieli India Limited, in the reference 1<sup>st</sup> cited informed that M/s Danieli India Limited is a subsidiary of the Global “Danieli & C.S.P.A “group based in Italy established in 1914. The Company is in the business of building plants & equipments for the metal industry, mainly steel industry. The group has main operating companies in Italy, the United States, Holland, Germany, Sweden, United Kingdom, France, Spain, Thailand, China, Austria and Japan. The Company makes special steels for the automotive, heavy machinery, mechanical energy and petroleum industries.

2. M/s Danieli India Limited proposes to setup a “Fabrication , Machining and assembling of Metallurgical Equipments Plant” mainly for use in steel industry in two phases and with an investment of Rs.475 Crores and creating employment (direct and indirect ) to 2000 persons . The company proposes to invest Rs 325 Crores in the first phase and Rs 150 Crores in the second phase. First Phase is scheduled to Commence Commercial Production by July 2013.
3. M/s Danieli India Limited has requested the Government of Andhra Pradesh for the following benefits for their project.

- (a) Uninterrupted power supply from dual feeder arrangement
- (b) Power subsidy of Rs. 0.75 per unit for 10 years from the DCP
- (c) 75% reimbursement of VAT/ CST or SGST for 5 years
- (d) 100% subsidy for providing alternate source of power through DG set along with installation cost approx Rs.1.00 Crores.
- (e) 100% subsidy for providing power through renewable energy to the project.
- (f) Provide interest free loan to partly finance the project cost.
- (g) To provide additional benefits extended to similar units
- (h) Other incentives as per IIPP 2010-15 Policy

**Contnd..2**

4. In the reference 2<sup>nd</sup> read above, State Investment Promotion Committee (SIPC) have discussed the proposal and recommended the following incentives and to place the matter before the State Investment Promotion Board (SIPB).

- (i) 50% VAT & CST reimbursement for the unit for a period of 5 years from the date of commencement of commercial production
- (ii) All other incentives as per IIPP 2010-15 policy.

5. In the reference 3<sup>rd</sup> read above, the State Investment Promotion Board (SIPB) in its meeting held on 31-12-2011 discussed the proposal in detail and decided to extend the following incentives.

- I. Reimbursement of 50% Net VAT & CST for a period of 5 years from date of commencement of commercial production (DCP).
- II. All other incentives as per IIPP 2010-15 policy.

6. The Government after careful examination of the proposal and keeping in view of the recommendations of the State Investment Promotion Board (SIPB), hereby extend the following incentives to M/s Danieli India Limited with an investment of Rs.325 Crs in the 1<sup>st</sup> Phase, as a mega project.

- I. 50% reimbursement of Net VAT & CST for a period of 5 years from the date of commencement of commercial production (DCP).
- II. All other incentives as per IIPP 2010-15 policy, which include
  - (a) 100% reimbursement of Stamp duty and transfer duty paid by the industry on purchase of land meant for industrial use.
  - (b) 100% reimbursement of Stamp duty on mortgages and hypothecations.
  - (c) Fixed power cost reimbursement @ Rs.0.75 per unit for 5 years from the date of commencement of commercial production.
  - (d) 50% Reimbursement of cost involved in skill upgradation and training the local manpower limited to Rs.2000 per person.
  - (e) 25% subsidy on specific cleaner production measures limited to Rs.5.00 Lakhs.

7. The industry shall provide atleast 80% of employment to the candidates belonging to the Andhra Pradesh State for becoming eligible to the above incentives.

8. The Commissioner of Industries and the VC & Managing Director, APIIC are requested to take further necessary action.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**T.S. APPA RAO,  
PRINCIPAL SECRETARY TO GOVERNMENT AND  
COMMISSIONER FOR INDUSTRIAL PROMOTION**

To

The Commissioner of Industries, Andhra Pradesh, Hyderabad

**Contnd..3**

The Chairman & Managing Director, APIIC, Hyderabad  
M/s Danieli India Limited through the Commissioner of Industries, A.P.  
Hyderabad.  
The District Collector, Chittoor.

Copy to

The Accountant General, Andhra Pradesh, Hyderabad  
The Finance (Exp. I&C) Department. / The Energy Department.  
The Irrigation & CAD (Reforms) Dept. /The Revenue (CT) Department.  
The Commissioner of Commercial Taxes, Hyderabad  
The Chairman & Managing Director, APTRANSCO., Hyderabad  
The Managing Director, APCPDC Ltd., Hyderabad  
The GM, DIC, Chittoor through the Commissioner of Industries, A.P. Hyderabad.  
P.S. to Minister (Major Industries)/ P.S. to Spl. Chief Secretary, Rev. Dept./P.S.  
to Prl. Secy. to  
Govt., Rev.(CT) Dept./P.S. to Prl. Secy. to CM/P.S. to Prl.Secy. (Irrigation)  
Dept./P.S. to  
Spl.CS, Energy Dept./P.S. to Prl. Secy. & CIP/  
P.S. to Secretary to Govt. (Legal Affairs).  
SC/SF

//Forwarded::By::Order//

**SECTION OFFICER**